

REMARKS

This amendment is responsive to the Office Action dated August 18, 2003. In the application claims 1 - 27 are pending, and the Office Action has rejected each claim pursuant to 35 U.S.C. §103 as being obvious over several cited references, relying on Horniak as a primary reference. In this amendment Applicant cancels claims 2 and 3, and submits new claims 28 - 31. Applicants have carefully reviewed the arguments presented in the Office Action and respectfully request reconsideration of the claims in view of the remarks presented below.

The Present Invention

The present invention overcomes the shortcomings of the notch reading ticket counters of the prior art by using sensors that read information on the exposed longitudinal edge of the tickets as they are transported by rollers past a sensor. As discussed in the specification of the present invention, the introduction of a new, thinner paper ticket developed by the present inventor necessitated a whole new approach to the task of counting tickets distributed from arcade games and the like. The present invention takes advantage of the translucent nature of the new paper tickets that was not characteristic of the heavier, cardboard-type tickets prevalent in the arcades and carnivals heretofore.

Standard for § 103 Rejection

In order to sustain a rejection under 35 U.S.C. §103, the rejection must establish three criteria.

1. The prior art reference (or references when combined) must teach or suggest all the claim limitations;
2. There must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the references themselves or to combine reference teachings; and

3. There must be a reasonable expectation of success.

MPEP §706.02(j).

Accordingly, a rejection that does not establish that each claimed element is found in the prior art is deficient and the Office Action fails to establish a *prima facie* case of obviousness. Further, if the Office Action fails to demonstrate that there was a teaching or motivation to combine the references as suggested by the Office Action, the rejection is technically deficient and must be withdrawn.

Claim 1

1. A ticket counter comprising:

a transport mechanism for transporting tickets, said tickets having first and second longitudinal edges substantially oriented parallel to a direction of travel of said tickets in said transport mechanism, from an inlet, past a sensor, said transport mechanism maintaining contact with the tickets while exposing said first and second longitudinal edges of the tickets;

a sensor adjacent the transport mechanism and positioned to read one of said first and second exposed longitudinal edges of said ticket while said ticket is being transported by the transport mechanism, the sensor determining a quantity of tickets transported by the transport mechanism past the sensor and generating a signal corresponding to said quantity;

a computer in communication with said sensor for receiving said signal from the sensor; and

a receipt generator connected to said computer for printing the quantity of tickets transported by the transport mechanism past the sensor.

The Office Action rejects Claim 1 as being obvious over Horniak in view of Nickels. In rejecting claim 1, the Office Action states that Horniak teaches: (1) a transport mechanism for transporting tickets 12 from an inlet 16, past a sensor 32, the transport mechanism maintaining contact with the tickets while exposing an outer edge of the tickets; and (2) a sensor 32 adjacent the transport mechanism and positioned to read the exposed outer edge 36 of the ticket 12. The Office Action cites to column 3, lines 30+ for support. However, the cited reference establishes that Horniak fails to teach the claimed features, but rather Horniak is merely the old "notch" counting ticket machine that the present invention sought to replace.

It is clear that Horniak's sensor 32 does **not** read the exposed outer edge of the tickets as claimed, but rather the sensor 32 "respond(s) to known gaps between the tickets 12, such as openings 34 commonly placed in the center between each ticket or notches 36 commonly placed on the side between each ticket." [Horniak, Col. 3, ll. 30 - 34]. That is, the sensor does not read the ticket but rather voids in the ticket, the sensor being "a reflective type sensor which responds to interruptions in reflection of light." [Horniak, Col. 3, ll. 26 - 27]. Thus, Horniak provides no support for the claimed feature whereby a sensor reads a longitudinal edge of a ticket as the ticket is being transported by the transport mechanism.

Also, as shown in Figure 2 of Horniak neither longitudinal edge is exposed by the transport mechanism, but rather the rollers 22 completely occlude the longitudinal edges. The claim has been amended to clarify that the exposed edges are the longitudinal edges extending parallel to the direction of ticket travel, which is clearly not exposed by the Horniak device. Nor is there any teaching or suggestion to be found in the cited references for modifying Horniak to read the outer edges. Rather, the object of Horniak is to read tickets having the notch between tickets and thus there would be no incentive or motivation to modify Horniak to read a different type of ticket, particularly where Horniak utilizes a reflective sensor that responds to voids in a ticket rather than information on a ticket itself.

Yet another feature of claim 1 that has not been identified in the cited art is the feature of a receipt generator. It is noted that the Office Action recognizes that Horniak fails to teach a printer as previously claimed, but sought to then combine Horniak with Nickels in order to achieve the claimed invention. It is submitted that Nickels teaches a printer that prints on the ticket, and does not generate a receipt or print out other documents in response to a counting operation. As amended, claim 1 calls for a receipt generator which prints a quantity of tickets transported by the transport mechanism. Applicants respectfully submit that the first criteria of an obviousness rejection requires at a minimum that the Office Action establish that the prior art taught a receipt generator for printing a receipt showing a quantity of tickets transported by a transport mechanism. This has not yet been established by the Office Action, and thus a rejection based on §103 has not yet been established.

Claims 4 - 8

Claim 4 of the present invention incorporates a video display screen connected to the computer of the ticket counting device of Claim 1. The Office Action cites to a counter 40b for support that Horniak teaches a display screen. While Applicants respectfully submit that the counter of Horniak would not be fairly be considered a display screen as that term is used in the present application, Applicant has amended the claim to clarify the display screen as a video display screen. There can be no assertion that Horniak teaches a video display screen.

The Office Action recognized that its proposed combination of Horniak and Nickels failed to teach a display screen that displayed animation, and sought to overcome the deficiency in the proposed combination by also incorporating the teachings of Nathan. Nathan is directed to an audiovisual reproduction system that includes a telecommunications modem connected to a network controlled by a server, characterized in that the operating system comprises a function that adjusts the sound control circuit to couple volumes in the various areas in which loudspeakers in the audiovisual

reproduction system is used. The Office Action does not attempt to show where in the cited references the proposed combination would have been suggested or taught, and Applicant respectfully submits that there is no suggestion or teaching for combining the audiovisual system of Nathan with a ticket counting machine. The Office Action merely concludes with no support that:

"It would have been obvious to an artisan of ordinary skill in the art at the time the invention was made to integrate well known animation/quiz/advertisement/game displays as taught by Nathan to the teachings of Horniak as modified by Nickels, Jr. in order to entertain the operator while the system/device is processing the data (i.e., counting the numbers of the tickets)." [Office Action, p. 5].

Applicant submits that if all that was required of an obvious rejection was to merely conclude with no support that the proposed combination would have been obvious, relying only on a motivation culled from the Applicant's disclosure that is not found in any of the cited references, few if any patents would ever issue. The Federal Circuit Court of Appeals has recently echoed this very assertion in *In re Lee*, 277 F.3d 1338, 1343-44 (Fed. Cir. 2002), stating that the factual inquiry whether to combine references must be "based on objective evidence of record," not based on "subjective belief and unknown authority." In this case, there is no objective evidence provided by the Office Action to combine Nathan with Horniak/Nickels, but rather the Office Action merely states without support that it would have been obvious to do so. Applicant submits that the bare conclusion that combining Nathan's audiovisual system with Horniak's ticket counting machine is neither suggested in the art nor obvious, and the only motivation to combine the references is derived solely from the Applicant's disclosure. Accordingly, the Office Action has failed to establish that it would have been obvious to combine Nathan with Horniak, and that a *prima facie* case of obviousness has not been established for Claims 4 - 8.

It is further asserted that Nathan fails to teach any of the specific features of Claims 5 - 8, and the first criteria for an obviousness rejection has not been established for each of these claims. That is, each of the claimed features (quizzes, dexterity games, advertising, and animation) is not taught by Nathan, and there is no suggestion to modify Nathan to include these features. Accordingly, Claims 5 - 8 are allowable over the cited references because a *prima facie* case of obviousness has not been established.

Claims 9 - 10

Claim 9 is directed to a ticket counting machine wherein the computer of the ticket counting machine records information encoded on the tickets. The Office Action recognizes that its proposed combination of Horniak with Nickels fails to teach the claimed feature, and seeks to overcome the deficiency by arguing that it would have been obvious to modify the proposed Horniak/Nickels combination to incorporate the teachings of Saunders. Saunders is directed a cashless gaming system where tickets have values that are used instead of money, and the value of said tickets are encoded on the ticket. The Office Action does not attempt to show a suggestion or teaching in the cited references for combining the respective teachings, but instead once again merely concludes that their combination would have been obvious.

The proposed combination neglects to account for the fact that Horniak was developed to count existing arcade tickets and there is no suggestion or teaching in the references to even include additional encoded information on such tickets, or that the teachings of Saunders would have been obvious to incorporate with the teachings of Horniak. Once again, the suggestion to combine comes not from the objective record of the prior art but rather unknown subjective authority of the Office Action. The proposed combination is improper absent some teaching or motivation in the prior art to modify the references as suggested by the Office Action.

Claim 10 includes the limitation wherein the distributor is encoded on the ticket. The Office Action cites to Figure 2 wherein the distributor's name is printed on the ticket,

rather than encoded in the information. As such, the Office Action's rejection of Claim 10 is improper and should be withdrawn.

Claim 12

Claim 12 is directed to the ticket counter of Claim 1 wherein the endless belts that transports the tickets has a width less than the tickets to expose the outer or longitudinal edges of the ticket. As discussed with respect to Claim 1, this feature of the belt being of a width that exposes the longitudinal edges of the tickets so that they can be read by the sensor is not found in the cited art. Applicant respectfully submits that the rejection of claim 12 is deficient and properly withdrawn.

Claim 14

Claim 14 requires that the sensor detects light passing through the tickets. The present invention works with translucent tickets that pass light therethrough, whereas Horniak is designed to react to light passing *around* the ticket. There is no teaching or suggestion in the cited references for reading light that passes through the tickets, and Applicant respectfully submits that light passing through a notch between two tickets does not read light *through* a ticket. As such, the first criteria for an obviousness rejection is not met by the rejection of Claim 14, and this claim is properly allowable over the cited art.

Claims 16

Claim 16 is directed to the location of the bar codes on the exposed longitudinal edges of the tickets such that the sensor can read the coding while the tickets are transported. There is no teaching in Saunders or in any other cited reference for placing bar coding on the exposed longitudinal edges of a ticket such that such coding can be read by a sensor while a transport mechanism transports the ticket. It should be noted that the bar coding of Saunders is located in the middle of the ticket and there is no teaching or suggestion to modify the Saunders ticket in order to arrive at the Applicant's

invention. As such, no *prima facie* case of obviousness has been established and Claim 16 is allowable over the cited art.

Claims 17 - 18

Claims 17 and 18 are directed to translucent and fluorescent inks to create the barcodes for the present invention. The rejection of these claims relies on a reference that teaches that fluorescent bar codes are known in the art, but fails to even attempt to establish any connection between the teachings of Dolash's bar code reading system and the present invention's ticket counting device. Recognizing that there is no teaching or suggestion in the prior art to combine Dolash's bar code reader with Horniak's notch reading ticket counter, the Office Action merely states without support that the proposed combination would have been obvious to prevent ticket forgery. This motivation is nowhere to be found in the cited references, and appears to be the product of a hindsight application where unrelated references (a bar code reader and a ticket counter) are combined using the Applicant's disclosure as a road map to pick and choose various components without any resort to an actual teaching or suggestion in the references to make the proposed combination. Such hindsight application of unrelated references is inappropriate for combining to reject the Applicant's invention absent some objective teaching *in the record* from which one can properly judge that Applicant's invention was actually known.

"An examiner cannot establish obviousness by locating references which describe various aspects of a patent applicant's invention without providing **evidence** of the motivating force which would impel one skilled in the art to do what the patent applicant has done." *Ex parte Levengood*, 28 U.S.P.Q.2d 1300, 1302 (Bd. Pat. Int. & App. 1993). Here, no **evidence** has been offered to support the rejections, only the bald conclusions of the Office Action that the proposed combination would have been obvious. Applicant submits that the absence of any evidence supporting the Office Action's rejection of the claims is fatal to the rejections and render them untenable.

Claim 19

Claim 19 is directed to the feature of the present invention incorporating a second sensor to read information while the first sensor counts the tickets. The Office Action fails to provide any references which teach this two sensor system. Instead, the Office Action speculates without support that it would have been obvious to use two sensors for confirmation of the first sensor. Again, no support for this is provided and the cited prior art fails to teach any two sensor systems. Accordingly, the first criteria for a *prima facie* case of obviousness has not been established. Moreover, the Office Action's assertion that the second sensor is merely a duplication of elements is incorrect and fails to appreciate the separate functions of each sensor. As discussed at length in the specification, a first sensor is aligned to read the markers which identify the end of a ticket and thereby can be used to count tickets passing by the sensor, and a second sensor reads information printed on the sides of the tickets. These two separate functions are clearly not simply a duplication of elements as asserted by the Office Action. It is respectfully submitted that the cited art fails to teach the claimed invention wherein two sensors are employed to read two types of information, and the rejection of Claim 19 fails to establish that the claimed invention was known or suggested in the prior art.

Claims 20 - 23

Claims 20 - 23 include the feature whereby a marker is imprinted on the ticket that is read by the sensor as part of the counting operation. Horniak, the only reference cited by the Office Action that talks about counting tickets, reads gaps or voids in the tickets as opposed to a marker printed on the ticket. The Office Action does not attempt to resolve this apparent contradiction, as there is no discussion of Claims 20 - 23 in the Office Action. It is respectfully submitted that the cited references fail to teach all of the claimed limitations, and that the rejection of Claims 20 - 23 is improper. Alternatively, Applicant respectfully requests that the Office Action detail where each of the claimed

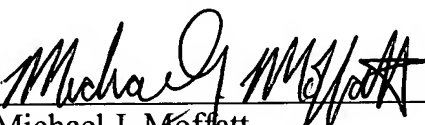
features in Claims 20 - 23 are found in the cited art so that Applicant can specifically address the merits of the rejection.

The rejection of the remaining claims are unsupportable consistent with the arguments presented above, and Applicant believes that the claims as amended are in condition for allowance. Further, it is respectfully submitted that the newly added claims 28 - 31 are patentably distinguishable over the cited art and should be allowed.

Applicant believes that the claims as amended are allowable over the cited art, and that the application is ready to be passed to allowance status. If the examiner believes that a telephone conference will further the prosecution of this application, the examiner is invited to contact the undersigned at the number below.

Respectfully submitted,

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